

**AUTHENTICATED  
COPY**

Interagency Agreement No. 87-SLC-0029  
Amendment No. 6

AMENDMENT NO. 6

TO

INTERAGENCY AGREEMENT

BETWEEN

UNITED STATES DEPARTMENT OF DEFENSE  
KIRTLAND AIR FORCE BASE

AND

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

SALT LAKE CITY AREA INTEGRATED PROJECTS

FOR

FIRM ELECTRIC SERVICE

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1. PREAMBLE

This Interagency Agreement Amendment (Amendment) is made this 6th day of June, 2000, between the UNITED STATES OF AMERICA, Western Area Power Administration (Western), and UNITED STATES DEPARTMENT OF DEFENSE -- KIRTLAND AIR FORCE BASE (Contractor) as part of Agreement No. 87-SLC-0029 as previously amended (Original Agreement), pursuant to the same authorities as the Original Agreement, and subject to all of the provisions of the Original Agreement except as herein amended.

2. EXPLANATORY RECITALS

- 2.1 Western offered and the Contractor executed the Original Agreement, which provides among other things, for the sale of long-term firm electric service from the Salt Lake City Area Integrated Projects (SLCA/IP).
- 2.2 Effective November 20, 1995, Western adopted an Energy Planning and Management Program (EPAMP) which consisted of two components: a requirement that all SLCA/IP long-term firm power customers prepare integrated

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resource plans, and a Power Marketing Initiative (PMI) under which Western might extend a major portion of Federal resource commitments to its existing long-term firm power customers.

- 2.3 Western did not consider applying the PMI to the SLCA/IP until after completion of the SLCA/IP Electric Power Marketing environmental impact statement (EIS). The Record of Decision on that EIS was issued on November 1, 1996.
- 2.4 Subsequently Western proposed application of the PMI to the SLCA/IP. The public was given opportunities to comment on Western's proposal. Public comment was also invited on how Western should market power given recent changes in the electric industry; and, on how much power should be set aside for new customers, particularly Native American tribes.
- 2.5 On June 25, 1999, in the Federal Register (99 FR 34414), Western announced its decision that the term of its SLCA/IP firm power customers' contractual commitments with Western would be extended until September 30, 2024. On October 1, 2004, most current customers' entitlements to the long-term firm SLCA/IP capacity and energy available at that time would be reduced by 7 percent to provide power for new customers. The purpose of this Interagency Agreement Amendment is to implement that decision.
- 2.6 Western recognizes that the Bureau of Reclamation (Reclamation) is under a continuing obligation to ensure that the operation of its hydroelectric facilities complies with Federal law. Due to this, Western needs flexibility in its contracts to respond if Reclamation changes the way its facilities are operated.

2.7 Western desires to incorporate the latest General Power Contract Provisions into its SLCA/IP contracts.

3. AGREEMENT

The Parties agree to the terms and conditions set forth herein.

4. TERM OF ORIGINAL AGREEMENT AND THIS AMENDMENT

4.1 This Amendment shall become effective when executed by Western and shall remain in effect through September 30, 2024.

4.2 Section 3 of the Original Agreement is deleted in its entirety and replaced with the following:

“3. TERM OF AGREEMENT

This Agreement shall become effective in its entirety on October 1, 1989, and subject to prior termination as otherwise provided for, shall remain in effect until midnight September 30, 2024.”

5. AMENDMENT OF SECTION 5.1 – WESTERN’S ENERGY AND CAPACITY OBLIGATIONS

Section 5.1 of the Original Agreement shall remain as written except that Sections 5.1.1, 5.1.2, and 5.1.5 and a new Section 5.1.6 shall be as follows:

“5.1.1 The Seasonal Contract Rate of Delivery (CROD), Sustainable Hydro Power (SHP), Available Hydro Power (AHP), and Monthly Capacity shall be as set forth in Section 3 of Exhibit A.

5.1.2 The Seasonal SHP Energy and Monthly SHP energy shall be as set forth in Section 4 of Exhibit A.

5.1.5 Should Western determine that hydrology projections, operational or other changes, show AHP energy or capacity in sufficient quantities to be made available above that identified as AHP in Exhibit A, Western shall first offer said energy or capacity to its SLCA/IP firm capacity and energy customers. Appropriate written notification from Western will be given to Contractors.

5.1.6 After October 1, 2004, Western may revise the amount of the Contractor's Seasonal SHP Energy or Seasonal CROD as required to respond to changes in hydrology and river operations, upon 5 years' notice to the Contractor.”

6. REPLACEMENT OF SECTION 13 - GENERAL POWER CONTRACT PROVISIONS

Section 13 of the Original Agreement is deleted in its entirety and replaced with the following:

“13. GENERAL POWER CONTRACT PROVISIONS

13.1. The General Power Contract Provisions (GPCPs) effective July 10, 1998, attached hereto, are hereby made a part of this Agreement the same as if they had been expressly set forth herein, Provided; that Articles 1.2 and 20 through 30 shall not be applicable hereto.

- 13.2. In addition to the forms of notice specified in Article 39 of the GPCPs dated July 10, 1998, for purposes of complying with the notice requirements of this Agreement, either the Contractor or Western may accomplish such a notice by telecopy or facsimile transmission. Communications related to scheduling provided from and to operating personnel of either Party may be accomplished by electronic mail. Where telecopy, facsimile, or electronic mail are utilized, the sending Party shall keep a contemporaneous record of such communications.”

7. ADDITION OF NEW SECTION 16 - TRANSFER OF INTEREST IN AGREEMENT

“16. TRANSFER OF INTEREST IN AGREEMENT

Notwithstanding any other provision of this contract to the contrary, Western’s Administrator may adjust Western’s energy or capacity obligations to the Contractor as the Administrator reasonably determines is appropriate if, (1) the Contractor changes its customer status in some manner including merging with another organizational entity, acquiring or being acquired by another organizational entity, creating a new organizational entity from an existing one, joining or withdrawing from a member-based organization, loses its status as a preference entity, or adds or loses members from its membership organization, and (2) the Contractors’ obligation to supply electricity to preference entity loads changes as a result.”

8. ORIGINAL AGREEMENT TO REMAIN IN EFFECT

Except as expressly modified herein, the Original Agreement shall remain in effect, and this Amendment shall be subject to all the provisions of said Original Agreement as expressly modified herein.

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IN WITNESS WHEREOF, The Parties have caused this Amendment to be executed the day and  
year first above written.

WESTERN AREA POWER ADMINISTRATION

By: Burt Hawks  
Power Marketing and Contracts Team Lead  
CRSP Customer Service Center  
Western Area Power Administration  
P.O. Box 11606  
Salt Lake City, UT 84147-0606

UNITED STATES DEPARTMENT OF DEFENSE  
KIRTLAND AIR FORCE BASE

By: [Signature]  
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Kirtland AFB NM 87117-5606